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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 003164

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TAGS: [PGOV](#) [ELAB](#) [VE](#)  
SUBJECT: MVR DEPUTY: CHAVEZ CAMPAIGN MOVING TO "NEXT PHASE"

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Classified By: POLITICAL COUNSELOR ROBERT DOWNES,  
REASONS 1.4 (B) AND (D)

11. (C) Summary. Francisco Torrealba, MVR National Assembly Deputy and member of Chavez' national campaign team, told PolCounselor and Poloff October 17 that the organization of Chavez' grass-roots supporters is now "90 percent" complete. Torrealba attributed a recent softening of the tone of the Chavez campaign as an effort to build greater political support beyond Chavez' already militant base. Barring an electoral upset by consensus opposition candidate Manuel Rosales, Torrealba predicted that President Chavez would implement an ambitious political program in 2007 to include cabinet changes, constitutional amendments, and the creation of a single "revolutionary" party. Torrealba anticipates that the National Assembly will wait until after the December 3 presidential election to pass a series of pending controversial bills, including the anti-NGO international cooperation bill. End Summary.

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Chavez Campaign  
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12. (C) Francisco Torrealba Ojeda, Fifth Republic Movement (MVR) National Assembly Deputy and the Chavez central campaign committee's liaison to labor groups, met October 17 with PolCounselor and Poloff. Torrealba expressed confidence in a Chavez victory, but declined to speculate by what margin he expects Chavez to win. He noted that the organization of grass-roots Chavez supporters nation-wide into electoral battalions and squadrons is "90 percent" complete. He asserted that the Chavez campaign has the necessary popular support to win on December 3 so long as the campaign ensures that Chavez' supporters actually vote.

13. (C) At the same time, Torrealba conceded that the Chavez electoral machine is still vulnerable to poor coordination, a lack of communication, and overconfidence. He noted that during a recent visit to Zulia, President Chavez took campaign leaders to task there when he discovered that some Chavistas were listed for multiple re-election campaign positions. Torrealba said that he pays surprise calls on local party leaders during his own visits outside Caracas, but invariably finds that local campaign structures appear stronger on paper than they actually are.

14. (C) Asked about the abrupt softening of Chavez' campaign message, including a recently launched advertising campaign

stressing that Chavez is running "for love," Torrealba said the Chavez campaign already consolidated its core support of hard-line Chavistas. He said the re-election campaign is moving to a pre-planned "next phase," reshaping its message in an effort to secure broader support among voters, particularly among the undecided. Torrealba acknowledged that consensus opposition candidate Manuel Rosales is mounting a "credible" campaign that has consolidated the opposition "so far."

¶5. (C) Torrealba has convoked a series of meetings with union leaders around the country to reach out to the various factions of the pro-government Union of National Workers (UNT) as well as the opposition Confederation of Venezuelan Workers (CTV). Torrealba said he makes personal efforts to "mediate" workers' concerns with government offices in an effort to secure local unions' electoral support. He also confirmed press reports that the Chavez campaign intends to attract workers to mass rallies for Chavez in Caracas and other major Venezuelan cities in the remaining six weeks of the campaign.

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Looking Toward 2007  
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¶6. (C) Torrealba said he expects a re-elected Chavez to make sweeping political changes in 2007. Without naming names, Torrealba said he expected Chavez to name new ministers to the cabinet soon after, but not before, the presidential election. He also predicted that Chavez would seek to amend the constitution, but would not call for either a new constituent assembly or new parliamentary elections. While insisting that the National Assembly continues to function, Torrealba nevertheless predicted that the National Assembly would wait until after the presidential election to pass controversial laws, such as the anti-NGO international cooperation law (currently up for public comment) and the

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police reform bill.

¶7. (C) Torrealba said Chavez is determined to forge a single "revolutionary" party and will do so over the objections of some of the MVR's minor coalition partners. Citing continued fighting between pro-government parties, Torrealba argued that it would be better to confine internal Chavista disputes under "one tent." He also noted that a number of unspecified, but overambitious National Assembly deputies are already trying to position themselves for governorships in ¶2008.

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Public Housing  
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¶8. (C) Asked about Venezuela's critical housing shortage. Torrealba readily admitted that the BRV is not successfully addressing the problem. He said Housing Ministry regulations designed to prevent unscrupulous contractors from winning government contracts have deterred almost all contractors from bidding on public housing jobs. Consequently, the Housing Ministry has a surfeit of funds available for public housing projects, but a shortage of private sector partners willing to implement government plans. Torrealba said the BRV needs to revise the regulatory framework to encourage more private sector involvement in public housing projects.

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Comment  
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¶9. (C) Torrealba confirmed two important aspects of the Chavez campaign. First, the Chavez campaign team believes it still has enough popular support (and submission) to win on December 3 and is therefore primarily focused on mobilizing

its massive, nation-wide political "machine" to ensure an electoral majority. Second, the Chavez campaign for the first time has had to react to consensus opposition candidate Rosales' surprisingly strong campaign by tempering its confrontational "revolutionary" rhetoric and imagery. By eschewing direct challenges of Rosales, Chavez avoids raising Rosales' status, but at the same time handcuffs the Chavez campaign in its ability to counter Rosales' messages. In that vein, Chavez' "For Love" advertising blitz appears to have attracted more popular derision than interest and has inadvertently bolstered the opposition's confidence that Rosales is gaining ground. For the first time in years, Chavez is following, rather than setting, the political agenda.

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